

**DISCLOSURE OF THE BOARD OF TRUSTEES OF
THE KENWOOD SCHOOL DISTRICT
REGARDING THE EDUCATION PROTECTION ACCOUNT 2018-19**

Discussion/Issues:

Proposition 30, The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012 temporarily increases the states sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers. An extension of Proposition 30 was passed by voters in November of 2016.

The revenues generated from Proposition 30 are deposited into a newly created state account called the Education Protection Account (EPA). EPA funds are based on the proportionate share of the statewide revenue limit amount.

EPA revenue funds will be deposited into a new restricted resource 1400, using revenue object code 8012.

Along with the new funding source came additional reporting requirements:

- 1) Each year the Board of Education must approve a spending plan for the EPA money
- 2) The EPA funds cannot be used for the salaries or benefits of administrators or administrative costs.
- 3) The District must publish on its website the amount of EPA money received and how it was spent.
- 4) An annual audit will be required to verify that EPA funds were spent in accordance with the requirements of Proposition 30. The cost of this audit can be paid with EPA funds.

The temporary taxes expire in fiscal year 2020-21, when the Local Control Funding Formula is expected to be fully funded.

Spending Plan:

Education Protection Account 2018-19	
<p>Estimated Revenue:</p> <p>Period 2 Average Daily Attendance (P-2 ADA) X \$200 per student.</p>	<p>\$26,918.00</p>
<p>Proposed Expenditures:</p> <p>Salaries and benefits for classroom teacher.</p> <p>Note: An accounting of the actual money received from the EPA and accounts where expenses were incurred will be posted when the funds have been received.</p>	<p>\$26,918.00</p>